CLASSIFICATION SECRET CONTROL - U. S. OFFICIALS ON CENTRAL INTELLIGENCE AGENCY INFORMATION REPORT DATE DISTR. 20 June 19450X1-HUM Yugoslavia COUNTRY NO. OF PAGES 1 Economic, Industrial, Military and SUBJECT Political Information on Yugoslavia NO. OF ENCLS. 6 PLACE ACQUIRED SUPPLEMENT TO REPORT NO. DATE OF IN 50X1-HUM THIS IS UNEVALUATED INFORMATION 50X1-HUM reports on Yugoslavia Information on the a. Yugoslav Armed Forces. Economic, Industrial, b. Political information on Fiume. c. - Yugoslav Merchant Marine and Ports. d. political information. ٠. miscellaneous information on Yugoslavia. STAT - Yugoslav Troops. CLASSIFICATION SECRET CONTROL - U. S. OFFICIALS ONLY STATE NAVY DISTRIBUTION ARMY AIR ORE 65311134

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30 October 1948

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have been attached as insti	ructors and have now been	50X1-HU
raised to officer grade.		50X1-HL
Along with the Academy for officer da	ndidates, there is also a	50X1-HL
school for seamen where they are trained as mach	hinists, ordnance men,	30/1-110
gumnery crews, carpenters and metalsmiths.		50X1-HI

Split is the largest naval center of present-day Yugoslavia. Here is the headquarters of the Adriatic High Command, which is held by Vice-Admiral Manola, a Tito supporter.

Fortifications

In the Babinopolje zone, casements and metal-lined trenches are being built. For this work, considerable quantities of cement and iron are being transported into the vicinity. In the small port are five blue-gray lighters with square mounts and equipped with 75-mm antiaircraft guns.

Fortifications in an advanced state of construction are to be observed at Cruzola-Lissa and Lesina. Armored cupolas can be seen on the heights that cover the principal parts of the islands.

Marshall Tito apparently intends to transform Lagosta into one of the most important supporting bases on the Adriatic. Five forts, which are interconnected by cemented passages and provided with considerable artillery, have already been constructed.

At Lissa, the fortifications were completed some time ago and provided with the largest caliber weapons in the zone.

Fortifications are being built also at Veglia. The Fiume and Zara military district probably has its headquarters on this island.

At Trau,	flotilla	squadrins	of	fast	motorboats	

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are to be observed.

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At Fiume, the heights of St. Catrine and of Tersatta have been fortified, and civilians are forbidden to enter this area.

Air fields

The fields of Pontisella and Vergorella, near Pola, and of Crobnico di Fiume have been put back into service.

Other air fields have been observed on the islands of Veglia at Arce, Lesina, Brazza, Cruzola, and along the Otacec-Knin-Split coast. The seaplane base at Cattaro has been put back into service.

Navy

At Gravosa, there are four former Italian torpedo boats which are unserviceable because of damage. There are a few German pocket-type submarines, almost unserviceable, at Lissa, and three deep-water submarines are at Cattaro.

The patrolling of the Adriatic is performed by two squadrons of corvettes and by some PT boats, mostly Italian type.

Reference has been made that at Fiume there are, in addition, 20 radio-controlled torpedoes of Russian origin.

Tank Amounttion

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in ammunition for T-34 tanks. It is will known that large quantities of these tanks were received from Russia two years ago. The various requests to Russia for ammunition have had no results.

KNOJ Organization (Corps for the National Defense of Yugoslavia)

It has already been pointed out many times that the KNOJ is a type of German SS. Apparently, it is not distinguished from the other formations of the army except by the collar insignias in the shape of black rhombs. However, it is actually a true political military police. The leaders and the rank and file are chosen from among the most fanatical supporters of the dictatorship and for this reason are considered as the "Iron Guard" of the Communist party.



multiform but are primarily military, and the power of the members is enormous. A simple non-commissioned officer may have high-ranking officers of the other armed forces arrested.

Some frontier sectors are under the troops of this Corps, in order to prevent dissertions and to exercise a more active control.

OZNA (Secret Police)

The	e influx of foreign elements into the inte	rnal and external branches
of this	organization has been increasing for some	time.
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Anti-Tito Organizations

Zagreb is probably the greatest center of anti-Tito resistance.

In addition to the well-known "Krizari" ("Crusaders"), the "Bjela Zvedza" ("White Star") organization is said to have sprung up.

The greeting of the Croatians is said to be "Bog zivi" ("God Lives").

These organizations limit their activities to acts of sabotage and plundering, particularly in the economic field. They lack means and complain

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Pirano di Istria

A carefully guarded munitions depot is located in an isolated house, near the road which runs from Croce Bianca to Pirano.

There is said to be a school for OZNA candidates in a villa of Strugnano, situated on the road from Strugnano to Isola. The enrollment of the school is small.

<u>Zara</u>

Two officer-candidate schools for infantry and artillery are in full operation here. About the middle of August, 300 candidates who had finished their course left Zara by mail steamer for Fiume. These were immediately replaced by others.

The headquarters of the military district is in Zara. In a war materiel depot near the city, medium and large caliber cameens have been observed.

Some time ago, two vessels of the yacht type and belonging to the naval school visited the harbor. Traffic is rare; only small coasting ships and mail boats from Fiume to Split are seed.

At Punta Mica, a battery of four 47-mm gums has been observed.

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<u>Fiume</u>

The work of widening and straightening the Fiume-Pola road is in progress. Almost all of the curves are to be eliminated by the construction of long sections of new road. The work in question is most advanced in the Moschiena Bersezio stretch.

The lack of gasoline is becoming steadily more acute in both Fiume and Zara. According to a recently received report, only fifty percent of the automotive vehicles in Fiume hate received their gasoline ration. At Zara, may fishing boats are forced to remain in port.

Prior to the rupture with the Cominform, Russian steamers, usually

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loaded w	ith rolled iron and industrial products, used to arrive rather	
regularly	y in the port of Fiume. They took a return cargo of plum brandy	
and other	things. At present, Russian steamers are very rarely seen in the $50\mathrm{X}1$	 HUN-
harbor.		

There is still a scarcity of raw material in the shipyards. The floating drydock has not yet been repaired. Apparently, the repeated requests to Russia for material have been fruitless. In the same way, the mission of a Croatian engineer last December to acquire metals 50X1-HUM and other material has apparently been unsuccessful.

The only activity at the torpedo factory, up to the present, has been 50X1-HUM the overhauling of torpedoes The Five-Year Plan provides for the construction of 500 completely new torpedoes a year. This quota has been reduced to 300, but so far not a single new torpedo has been built. A few months ago, a Russian commission made a minute inspection of the torpedo plant and carried off all 50X1-HUM of the blue prints.

Since the break between Yugoslavia and Albania, the Romsa refinery has operated spasmodically; since Albahia has ceased to supply raw material. The average number of working days per week now is not over three or four.

The working man has had very few restriction imposed on his religious man worship. On the other hand, the religious practices of people in the public eye are rigorously controlled. Special sections of the police force control all activities of the clergy and of the various religious institutions.

The schools are quite adequate and attendance through the sixth grade is compulsory. Technical subjects and palitical material are given special importance.

Housing is regulated by a housing office. Overcrowding is frequent.



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Every factory has a factory-chief, every street a street-chief, every quarter a quarter-chief whose task is to check all the inhabitants to see whether they attend meetings, whether they listen to foreign broadcasts, whom they receive, and whether they live beyond their known means.

There is a tendency to limit imports as much as possible and to make the city self-sufficient. At present, food of all kinds is lacking as well as clothing, liquid fuel, and coal.

For the most part, the working class is not happy, frequently compare the present with the past, and would all leave if it were possible.

The clerks and professional men feel the same way but are much more reticent in expressing their opinions, since they are closely watched. The people who had fled have been replaced by elements brought in from the interior. These are unsuited for the exigencies for the commercial and industrial life of the city. Production has dropped off in all fields. Fiume has taken on the appearance of a small town without life, production.

Soviet regimentation dominated completely the pattern of life in Yugoslavia - there is absolutely no difference. For this reason, the majority of the people ask themselves what was the reason for the Tito-Stalin rupture, and they fail to discover any explanation. Most people conclude that it is a diabolic Soviet manoeuvre and are awaiting its maleficent results. Others judge that the break was due to the exploitation and mastery of Yugoslavia organized by the Russians, who had struck a snag in Tito's nationalistic spirit and ambition.

Because of the slaughters committed during the liberation, a feeling of hate against Tito is also beginning to appear in Yugoslavia. An estimated 180,000 persons lost their lives. Full imformation, at one time unknown, about the atrocities is now being cinculated and is fomenting the campaign against Tito.

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-6-

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INFORMATION ON MERCHANT MARINE AND HARBORS

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Three large cranes have been erected on the Belgrade wharf in the harbor of Fiume.

Three modern, 5-ton cranes have been erected at established sites on the Belgrade wharf for loading ores, coal, and other cargo (the accompanying photograph was take from the Fiume newspapers "La Vose del Popolo")

These mobile cranes are mounted on tracks and have a wife range of action. The erection of these cranes has increased the loading potential of the port by 46 percent.

Cranes, with considerably greater Lord capacities than the old cranes, are now in operation on the 10 September wharf. The old cranes are being modernized.

Two of the three crames which are to be erected on the Generale

Drapsin wharf have been finished and operating for several days. The building of the cab, the installation of the electrical equipment, and the assembly of the third crame are being performed at present. The three crames have a combined capacity of nine tons. The crames have 18-meter-long jibs.

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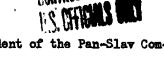
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Marit J Pa Pa	r			
	com Colonel Gene	com Colonel General Bozida	rom Colonel General Bezidar Maslar	rom Colonel General Bezidar Maslaric,

President of the Pan-Slav Committee





Colonel General Bozidar Maslaric, President of the Pan-Slav Committee, sent to Generalissimo of the Soviet Union, Joseph Vissarionovich Stalin, the following telegram (5 November 19498):

"In the name of the Pan-Slav Committee, I extend to you and to all Slavic people best wished on the thirty -first anniversary of the Great October Revolution. The Slawic nations join the great holiday of the Soviet nation in heart and in spirit, because the Soviet revolution has also made possible their liberation in the Second World War.

Teday, the Slavic mations align themselves with the Soviet nation in the struggle for a just and lasting peace, freedom and independence of action, the victory of people's democracies and socialism, and against the instigators of a new war. Today, these relations are still normal compact than in the Second World War. Their brotherhood and union have been sealed in the ages, through the fight against a common foe, and there is no existing force in the world sufficiently powerful to shatter the unity of the Slawic nations."

Neglect of the Yugoslav Railroads

The coal production seems to be continually decreasing. This is primarily due to the insufficiency of rolling stock, standard- and marrow-gauge, which makes the transport of coal from the mines or in the vicinity MR of the pits impossible.

The trains are running more slowly because of the poor quality and insuffficient quantity of coal. Since they have to wait to get up steam, the trains are delayed in stations and on the road.

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Other factors contributing to the delay of trains are deficient erganization, negligence on the part of the personnel, deficient technical preparation, uncooperativeness to the clerical staff, and lack of supervision. On the Belgrade -Vinkovci line, freight trains have remained in stations because the crews, which had not been provided with food, left the trains to cross the Sava River and buy meat, flour, and other things at their own expense.

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Extra Meeting of the Yugoslav People's Skupstina at Belgrade

On the basis of Article 74 of the Constitution of Jugoslavia, the presidium of the People's Skupstina of Jugoslavia has issued the decree for the convening of the People's Skupstina for the third extra session. The Skupstina will begin its work on 27 November 1948.

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The new Politbure of the Communist party of Bosnia and Hereegovina.

On 5 November 1948, the meeting of the newly elected Central Committee of the Communist Party of Bosnia and Hercegovina was held at Sarajevo and the following Politburo was nominated:

Secretary General: (Djiro Kalanasian

Secretaries: (Cvijetim Mijatovic, Avdo Humo, Ugljesa Danilovic, and Sefret Maglajie)

Members: Milovan Prpie, Pasaga Madzic, Hasan Dakic, Niko Jurinecie, Ilija Dosen, and Rudi Kolak

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Hundreds of Albanians, Hungarians, Rumanians, and Bulgarians enter Yugoslavia

Om 25 September 1948, the Ministry of the Interior issued a communicative mique to the influx of Albanian, Hungarian, Rumanian, and Bulgarian citizens into Yugoslavia. Up to that date, a total of 243 Rumanians, 177

Albanians, 54 Bulgarians, and 33 Hungarians had entered Yugoslavia.

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On the basis of later data relative to the entry of citizens of the abovementioned countries into Yugoslavia, the Ministry of the Interior of Yugoslavia issues the following:

- 1. In the period from 25 September to 25 October, 237 Rumanian citizens have entered Yugoslavia. This Rumanian contingent consists of 52 laborers, 23 peasants, 39 clerks, 38 intellectuals, 4 soldiers, 27 members of the liberal professions, 25 students, and 29 persons of various trades.
- 2. In the period from 25 September to 25 October, 229 Albanian citizens have entered Yugoslavia. These are divided: 7 laborers, 139 peasants, 4 clerks, 3 intellectuals, 6 soldiers, 7 students, 42 children, 11 members of the liberal prefessions, and 10 persons of various trades. Among these Albabians are 26 families, amounting to 98 persons, who fled to Yugoslavia with all there members and a part of their pessessions.
- 3. In the period from 25 September to 25 October, 104 Bulgarian citizens have entered Yugoslavia. These are divided: 34 laborers, 28 peasants, 7 clerks, 14 intellectuals, 3 soldiers, 6 students,
- 4. In the period from 25 September to 25 October, 64 Hungarian eltisens have entered Yugoslavia. These are divided: 24 laborers, 19 peasants, 4 elerks, 2 soldiers, 9 members of the liberal professions, and 6 persons of various trades.

Among the fugitives from all these countries, there are 26 who belong to national minorities.

An examination of all the eases, which have been reviewed up to new, reveals that many of the refugees are members of the Communist party of their repective countries and they have had to leave their countries for palitical reasons.

All the refugees have offered their services to the organs of the



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Yugoslav government with the request that they may be granted, in Yugoslavia, a free existence and an occupation in keeping with their abilities.

These exiles have all been assured the living conditions which had been granted to their fellow nationals who had preceded them, as published in the communique of the Ministry of the Interior of Jugoslavia on 25 September 1948.

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The new governing body of the Analgamated Yugoslav Labor Unions

At the Sight Plenum of the Central Committeed of the Amalgamated Labor Unions of Yugoslavia at Belgrade, which ended on 28 October, the new governing body was elected. This is composed of:

President: / Djuro Salaj

Vice-President: Laza Stefanovic /

Secretary-general: Ivan Bozicevic

Secretaries: Misa Pavicevic, Grga Jankez

Members: Dusan Petrovic-Sane, Sava Medak, Pepiea Kardelj,
Tema Breic, Lazar Plavsie, Nikola Milanovie, Pirika
Siber, Milan Slani, Milan Jaksic, Marijan Vivoda,
Vjekoslav Janic, Adam Katie, Slobodan Cirie, Milica
Mijuskovic, Mladen Begesavljevic, Mirko Vanic.)

23 November 1948

Carlo Mrazovic named Yugoslav Ambassador to USSR

On the basis of Article 4, Section 10, of the Constitution of Yugoslavia, upon the proposal of the Yugoslav Government, the Presidium of the Yugoslav Pepple's Skupstina has ordered that Carle Mrazovic he relieved of his duty as Envoy Extraordinary and Minister Plenipotentiary of Jugoslavia to the Hungarian People's Republic and that he be named Yugoslav Ambassador to USSR.

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The operation of restaurants and factory kitchens

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At present, there are 13 restaurants and 23 factory kitchens in the city of Fiume; this number is still insufficient for the needs of of the workers. During November, four more restaurants will be opened, and an additional nine in December.

Hew do the restaurants and factory **RIZEMEE** kitchens operate?

A worker who has a Rl B ration card is entitled to 22.50 kilograms of bread a month. When he eats at a restaurant, the alletment will be increased by 7.5 kilograms of flour, which is a supplement for previding cake. In a like manner, in addition to the 12 kilograms of flour from R"3 ration cards, there is a supplement of 9 kilògrams. The same procedure is followed for all goods whose provision is assured by card; there is an automatic increase through proportional supplements.

However, in order to provide the supplement immediately, the Supply Commission must be informed every five days about the conditions zvoim r in the individual restaurants. For this reason, the restaurants must send to the Supply Commission, within this period, information on the amount of ealeries, the number of consumers, the ingredients used, the price of all individual meals. The same information must also be forwarded in a monthly summary. Often the restaurants do not relay this information on time, and as a result, the distribution of the supplements is delayed and the meals served to the workers suffer. The 3 May Shipyard, the Luka Esterprise, the Rade Supic Factory, the Rankovic Plant, and the Railroad Station are especially tardy in sending these reports. The restaurants which are operated satisfactorally include the three restaurants of the "Kolektiv" and that of the "Rom", which are noted for the quality of the food and the cleanliness of the premises. All of these restaurants have taken steps to provide the necessary table limen and place settings and a good arrangement of the various rooms. In contrast to these, there are some restaurants which have nothing and the workmen are forced to bring their own cups, dishes and other things.





Deficiencies are especially notificable in the Rankovic Plant, which, although it had been notified on 1 October that it was to convert its factory kitchen into a restaurant, nevertheless began only 10 days ago to enlarge its quarters and to set up the kitchen. In this plant, there are numerous cases of carelessness; for example, although the kitchen has an electric stove which could serve admirably to bake cakes, it can not be used simply because an electric line has not been brought in. Consequently, the flour, which could be used for cakes, is made into common dough. Moreover, this kitchen also has an electric potatopeeler, which, although it has been repaired in the factory, still is not operative.

The restaurants of the locomotive depot, the railroad station, and the repair station show good organization and are able to previde the prescribed 3,500 calories to their own employees every day. Indeed, in the period from 1 to 6 November, the daily diet in the lecomotive depot amounted to 4,582 calories. This was not the case in the Rankovic factory and 3 May shipyard, where the workmen should receive from 4,000 to 4,500 calories per day in two meals. Usually, the calories did not exceed 3,500 per day. According to the statistics for the period from 1 to 6 November, in the 3 May shipyard, the moon meal amounted to 1,161 calories and the evening meal to 2,070 calories - a total of 3,231 calories; in the Rankovic plant, the moon meal had 1,856 calories and the evening meal 1,702 calories - a total of 3,558 calories.

Special reference must be made to the Rade Supic factory, which, although it is a woodworking enterprise, has not yet found the material necessary to build tables for its restaurant.

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there is lack of direct liaison

between the enterprises and the Supply Commission. This week, for enample, the restaurant of the R. Bencis factory received from the municipal abattoir the meat ration for its own factory kitchen in horse meat

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instead of beef; although the Supply Commission/the full ration to the various enterprises in beef.

This is a short sketch of the present condition of the restaurants

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Sava Kosanovic, the Yugoslav Ambassador in Washington, has returned to Yugoslavia

The well-known Yugoslav Ambassador in Washington, Sava Kosanovic,)
was recently recalled "urgently" to Yugoslavia, and, obediently, he
returned to Belgrade by aircraft a day or two ago.

Sava's brother, Lieutenant General Kosanovic, is commander of the VCK air bases of the Yugoslav Armed Forces (VCK: Vojno Ckruzna Momanda - Command of the Military District of the Air Force). Carmen, the wife of General Kosanovic, is a well-known official of AFZ (Antifasistiche Zene - Yugoslav Antifascist Women) and a member of JUTCS (Jugoslaven-ska Tajna Obavestajna Slusba - Foreign Information Service of Yugoslavia).

It appears that Ambassador Kosanovic may have fallen from grace; but he did not know this, or he would not have returned to Yugoslavia.

but he did not know this, or he would not have returned to Yugoslavia.

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The Ideological Education of the Slevenian Communists

The Slevenian Communist Party has organized clubs, courses, and schools in order to educate its enrolled members. At Ljubljana, bookstores sell only Communist books, there are no novels, no pulp; and no translations of foreign literature unless Communist.

In 1947, the Communist clubs had an enrollment of 35,465 Slovenian Communists; in the first nine months of this year, 28,810. The evening discussion groups for party leaders were attended by 1,055 Communists. The three-month party school has graduated 224 Communists (from the "Liberation" to the present), and 200 Communists have completed the one-year course for the main directors of the party.

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Yugoslay Communist Party

The last Congress of the YugoslavCommunist Party at Belgrade

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was attended by 2,345 Communist delegates, each of whom was the
representative of the 200 members of his cell (there are also
cells which have memberships of over or under 200 persons).
that the present Yugoslav Communist Party 50X1-HUM
mumbers about 450,000 regis tered members, and the SKOJ (Society
of Communist Youth of Yugoslavia) has about 550,000 members.
If the population of Yugoslavia at 15 million, according to
50X1-HUI the latest census; the one million Communists would represent six
to seven percent of the total population.
The Popular Front of Zene "A" of the Free Territory of
Trieste.
Branko Babic, President of the OF in Zone "A" of the Free
Territory of Trieste, has recently been elected Secretary of the C
Central Committee of the Communist Party of the Free Territory
of Trieste. 50X1-HUM
The Critical Position of the Albanian Communist Party
the Albanian
Communist Party is apparently in a very writical position because of the demands of a strong group. These Titoists wish the
Central Committee of the Albanian Communist Party to break with
the Cominform immediately; since the Cominform is "too distant,

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while Jugoslavia is too near."



ferences of Trieste (August of this year), the Yugoslav lines become part of the Trieste Tariff Union (Austria and Trieste - Czechoslovakia). The Postumia - Maribor (formerly Suedhn ZsicZ) and also the Piedicolle-Villaco (Transalpine) lines will share the international service between Trieste and the interior, along with the Monfalcone-Tarvisio (Pontebbana) line. The final agreements will be reached in a few days at the meeting of the delegates of the interested managements.

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Living Quarters for the Laborers of the "Vicko Krstulovic" Shipyard of Split

The construction of living quarters for the laborers of the Wicko Krstulovie* Shippard of Split has recently been finished. The project consists of five buildings with a total of 90 three-room units, and 30 one-room appartments and bachelor quarters. The construction was done by the Split Municipal Construction Company.

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A New School for Fiume Workers; Classes Start on 24

November at the Workman's Technical Institute.

In a few days, the new Workman's Technical Institute of

Fiume will begin its regular courses, one in public works and one
in architecture. The institute has been created by a decision
of the Ministry of Constructions, based on the regulations of the
workman's technical institutes, and will be in the formal under the direction of the Technical Institute of Public

Works of Fiume.

This institute has its own special plan and a program of very detailed instruction. The teaching staff will be from the Technical Institute of Public Works. Analogous institutes have also been founded during the year at all the other Technical Institutes





of Public Works in Croatia (Zagreb, Split, and Osijek).

Instruction will be given for three years, but classes will be held only in winter and will end on 15 April. During the period of instruction, the pupils will continue their regular professions and will work in their effices and factories. Classes will be given only in the afternoon, when the pupils will be free from their regular work in the various installations. However, with the approval of the Ministry of Constructions, individual enterprises may reduce during the scholastic year, the working hours of the pupils who attend the Institute.

The Workman's Technical Institute will award a secondary-shhool certificate upon the completion of the three-year course. This is exactly the same procedure as in the Technical Institute of Public Works. Admission to the Institute is open to qualified workmen who possess scholastic ability.

Pupils in the Workman's Technical Institute must have the following scholastic qualifications: 1) grammar school or gymnasium or "piccola matura"

2) lower trade school with final examination and a year's practical experience his own field.

The candidates who do not have these requirement; must take an entrance examination in matters of general culture (
history, geography, mathmatics, physics, and chemistry) such as is given to the upper classes of the grammar schools.

The applicants who have not had sufficient schooling to take such an entrance examination will attend a preparatory course at the Workman's Technical Institute in order to be able to pass the examination. The segistration for the Workman's Technical Institute will be held on 20 November from 9 to 12 at the registrar's office.

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At the time of registration, the following documents must be presented:

- 1. Certificate authenticating the position of the pupil as a qualified workman
 - 2. Written recommendation from the branch of the labor union
 - 3. Certificate of education
 - 4. Recommendation from the management of the installation
 - 5. VIta (personal history statement)

Entrance examinations will be held on 22 and 23 November.

Regular instruction will start on 24 November 1948.

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First Automatic Telephone is made in the Industrial Sections of the "Rade Konear" Factory of Zagreb.

On 10 Movember, after extensive work, the first automatic telephone (of Yugoslavia) was made by the telephone unit of the Rade Kencar Factory. A series of 50 automatic telephones was made for experimental purposes. In view of the favorable results of the tests, the production of a larger series of automatic telephones will begin in a few days.

The secretary of the Communist Party cell at the Rade Koncar

Factory is Vjekoslav Stradic; Dragica Lisac has been nominated as

the political commissar of the factory.

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The Yugoslav-Austrian Disagreement over the Drava River.

The Iugoslav government has protested to the Austrian government because the international agreements on the use of water of the Drava River have not meen respected by Austria.

During the war, the Germans built two hydroelectric power plants on the Drava, Zwabek and Labod, for industrial needs only. However, these plants are still collecting and storing water at

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the time when the Yugoslav hydroelectric power plants, Dravograd and Fala, are working under a heavier load. The Drava is an Alpine river with a high water level in *summer. From August 1945 to October 1947, the Yugoslav electrical industry lost 28.7 million kilowatt hours per year from the activity of the Austrian plants, and moreover, the Yugoslav hydroelectric power plants were damaged by the abnormal fluctuations of the water level.

Probably Austria is now planning to construct other installations of the Drava River which would harm still more the interests of Yugoslav economy. In particular, the Austrians are intent on diverting all the tributaries of the Drava and leading the water through a tunnel under the Hohe Tauern to the Salzach River, in order to reinforce the present Karum hydroelectric power plant in this valley by 360 million kilowatt hours per year. This would mean a loss to the Yugoslav economy of 52.5 million kilowatt hours per year.

The Yugoslav government bases its protest on international law dealing with the division of water, on the resolution of the Institute for International Law for 20 April 1911 at Madrid, on the Treaty of St. Germain, and on the Yugoslav-Austrian agreement of 23 September 1925, which stated that the interested countries (Yugoslavia and Austria) may not construct installations on the Drava River that would injure the country through the river flows in its lower course.





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The Jugoslav troops, which normally change presitions and go on many euvres periodically and alarm foreign espionage services by these movements, have been on the eastern frontier for some time, as though there might be danger of an eventual invasion in these regions.

There is considerable talk in military circles about a secret meeting in the vicinity of Zemum, near Belgrade, during the first ten days of September, between Soviet military delegates and a delegation of the Yugoslav Gemeral Staff. The ability of Yugoslavia to meet an eventual attack from outside was studied at this meeting, along with the question of whether Yugoslavia should change its foreign policy to one of neutrality, and whether it should clarify its relations with the Western Powers.

This meeting at Zemum, or apparently Brioni, has been the subject of much conversation throughout Yugoslavia.

There are no further details.

32 SECRET

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